GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:865
ANSWERED ON:22.11.2007
PRODUCTION OF ETHANOL
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) Whether the Government has permitted the production of ethanol directly from sugarcane with a view to increase the availability of ethanol in the country;

(b) if so, the details thereof;

(c) whether the production of ethanol directly from sugarcane is likely to be profitable for the industry in view of its present selling price; and

(d) if so, the estimated amount of profit likely to be earned by the industry?

Answer

MINISTER of STATE for PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) The Government has approved to permit sugar factories to produce ethanol directly from sugarcane juice to augment availability of ethanol and reduce oversupply of sugar.

(b) to (d) As per estimates made by sugar industry, the reduction of one ton of sugar by diverting cane juice for ethanol production will result in 600 litres of ethanol. The profitability of ethanol production directly from sugarcane would depend on relative prices of sugar and ethanol.

The Government has not made any estimate with regard to the amount of profit likely to be earned by the industry due to production of ethanol directly from sugarcane juice which will depend on the sugar production, sugar prices as well as ethanol prices.